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| APPLICATION NO.  | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO.      | CONFIRMATION NO.       |
|--|-------------|----------------------|--------------------------|------------------------|
| 10/710,866   | 08/09/2004  | Lynette I. Hotchkiss | 800760                   | 4865                   |
| 23372 7590 06/04/2007<br>TAYLOR RUSSELL & RUSSELL, P.C.<br>4807 SPICEWOOD SPRINGS ROAD<br>BUILDING TWO SUITE 250<br>AUSTIN, TX 78759 |             |                      | EXAMINER<br>LY, CHEYNE D |                        |
|  |             |                      | ART UNIT<br>2168         | PAPER NUMBER           |
|  |             |                      | MAIL DATE<br>06/04/2007  | DELIVERY MODE<br>PAPER |

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

|                              |                                      |  |  |
|------------------------------|--------------------------------------|--|--|
| <b>Office Action Summary</b> | <b>Application No.</b><br>10/710,866 | <b>Applicant(s)</b><br>HOTCHKISS, LYNETTE I. |  |
|                              | <b>Examiner</b><br>Cheyne D. Ly      | <b>Art Unit</b><br>2168                      |  |

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 19 March 2007.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-38 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-38 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

### DETAILED ACTION

1. Applicants' arguments filed March 19, 2007 have been fully considered but they are not deemed to be persuasive. Rejections and/or objections not reiterated from previous office actions are hereby withdrawn. The following rejections and/or objections are either reiterated or newly applied. They constitute the complete set presently being applied to the instant application.
2. The instant rejection is **NON-FINAL** as necessitated by the introduction of new rejections.
3. Claims 1-38 are examined on the merits.

#### *Claim Rejections - 35 USC § 112*

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 1-30 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.
6. Claim 1, line 12, recites the limitation of "preparing...upon approval of the rule documentation report" wherein the antecedent basis for the limitation of "approval" is not clear because not approval has been obtained prior to preparing. It is noted that the limitation of "upon" has been attributed with the customary and ordinary of "immediately or very soon after." Further, the instant specification (pages 5-6, [0054]) supports that an approval is obtained prior the preparation of rule change request. It is advised that Applicant recite an "obtaining an approval for the rule documentation report" after line 11 and prior to the

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“preparing...” step of claim 1, and similarly in claim 15. Claims 2-14 and 16-30 are rejected for being dependent from claim 1 or 15.

### **CLAIM REJECTIONS - 35 USC § 101**

7. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

8. Claims 1-30 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

9. Claims 1-30 are rejected because said claims are directed to a method and system which do not produce any concrete and tangible results. Claim 1, line 11, recites the intermediary result of “a rule documentation report”; however, the claim as a whole does not produce a tangible and concrete result. For example, claim 1, lines 19-23, recites an “assessing...” step for the intended result of “to produce a regulatory compliance assessment result file”, however, an intended result does not necessary limitation of the assessing step to actually produce any tangible and concrete result. Applicant is advised to amend the intend result of “to produce...” as a separate step in claim 1. For example, it is advised that Applicant amend the claim to end with “producing a regulatory compliance assessment result file, wherein the regulatory compliance results file indicating subject areas in the compliance review file in compliance and non-compliance with the law.” The above suggested amendment would limit the claimed invention to produce “a regulatory compliance assessment result file” which a useful, tangible, and concrete result.

***Double Patenting***

10. Claims 37 is objected to under 37 CFR 1.75 as being a substantial duplicate of claim 1. When two claims in an application are duplicates or else are so close in content that they both cover the same thing, despite a slight difference in wording, it is proper after allowing one claim to object to the other as being a substantial duplicate of the allowed claim. See MPEP § 706.03(k).

***Claim Rejections - 35 USC § 102***

11. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

12. Claims 15-30 are rejected under 35 U.S.C. 102(a) as being anticipated by Green et al. (US 2003/0229581 A1) (Green hereafter).

13. Applicant describes “[a] regulatory compliance system that makes use of the present invention is disclosed in U.S. patent application Ser. No. 10/249784 entitled SYSTEM AND METHOD FOR AUTOMATED LOAN COMPLIANCE ASSESSMENT, filed on May 7, 2003, which is incorporated herein by reference”, which supports that the regulatory compliance system of Ser. No. 10/249,784 (published as Green et al. (US 2003/0229581 A1)) is the claimed system of claims 15-30. Therefore, it is reasonable to conclude that the system of Green has the means to perform the claimed functions. Thus, the claiming of a new use, new function or unknown property which is inherently present in the prior art does not necessarily make the claim patentable. In re Best, 562 F.2d 1252, 1254, 195 USPQ 430,

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433 (CCPA 1977). >In In re Crish, 393 F.3d 1253, 1258, 73 USPQ2d 1364, 1368 (Fed. Cir. 2004).

***Claim Rejections - 35 USC § 103***

14. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

15. Claims 31-38 are rejected under 35 U.S.C. 103(a) as being unpatentable over LaBonty et al. (US 2006/0106706 A1) (LaBonty hereafter) in view of Acosta et al. (US 6,643,625 B1) (Acosta hereafter).

**MOTIVATION TO COMBINE**

16. LaBonty describes an improvement in a universal document library that incorporates a flexible methodology that allows a virtually unlimited number of customized loan programs (page 2, [0015]). While, Acosta describes a method for auditing loan and loan servicing portfolios (column 1, lines 63-67). One of ordinary skill in the art at the time of the invention would have been motivated by LaBonty to improve the loan servicing of Acosta to allow a virtually unlimited number of customized loan programs.

**BASIS FOR PRIOR ART**

17. In regard to claims 31 and 32, LaBonty discloses a method for generation and maintenance of a regulatory compliance rules repository for regulatory compliance assessment, comprising the steps of:



Comparing a law imposing requirements for a regulated transaction with a compliance subjects checklist for determining that a change (page 8, [0072], especially, “tracking change requests”) is required in the regulatory compliance rules repository (page 7, [0060], especially, “universal compliance library”);

Creating at least one new computer-encoded compliance rule based on the require change in the regulatory compliance rules repository (page 8, [0074], especially, “when a form is updated with the new text to meet the new legal requirements...”);

Assessing regulatory compliance of a compliance review file using new and existing computer-encoded compliance rules in the regulatory compliance rules repository (page 9, [0084], especially, “testing process...”; and

Producing a regulatory compliance result file for indicating subject areas in the compliance review file in compliance and non-compliance with the new and existing computer-encoded compliance rules (page 10, [0087] to [0089]).

18. However, LaBonty does not describe the limitation of “a compliance subjects checklist.”

Acosta describes that audit checklists are well known in the origination of the loan, selling of the loan to investors, and servicing the loan (column 1, lines 38-45). Therefore, it would have been obvious to one of ordinary skill in the art at the invention to use the loan servicing method of LaBonty with the audit checklists are well known in the servicing the loan described by Acosta.

19. In regard to claim 33, LaBonty in view of Acosta describes a rule documentation report if a change is required in the regulatory compliance rules repository (page 8, [0075], especially, “a simple query/report to find all of the changes made for the issue...”).

20. In an alternate interpretation, the limitation of “preparing a rule documentation report if a change is required...” wherein said limitation supports that the “preparing a rule documentation report” is required when the conditional limitation is met. Otherwise, no report is prepared (alternatively, second embodiment) when the conditional limitation is not met. Claim scope is not limited by claim language that suggests or makes optional but does not require steps to be performed. (see MPEP 2111.04 [R-3]). Therefore, LaBonty in view of Acosta renders claims 33-37 obvious over the cited prior art as directed to the alternate interpretation.

21. In regard to claim 38, LaBonty in view of Acosta describes the step of comparing an existing law (page 12, [0110] to [0112]).

### **CONCLUSION**

22. Patent applicants with problems or questions regarding electronic images that can be viewed in the Patent Application Information Retrieval system (PAIR) can now contact the USPTO's Patent Electronic Business Center (Patent EBC) for assistance. Representatives are available to answer your questions daily from 6 am to midnight (EST). The toll free number is (866) 217-9197. When calling please have your application serial or patent number, the type of document you are having an image problem with, the number of pages and the specific nature of the problem. The Patent Electronic Business Center will notify applicants of the resolution of the problem within 5-7 business days. Applicants can also check PAIR to confirm that the problem has been corrected. The USPTO's Patent Electronic Business Center is a complete service center supporting all patent business on the Internet. The USPTO's PAIR system provides Internet-based access to patent application status and history



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information. It also enables applicants to view the scanned images of their own application file folder(s) as well as general patent information available to the public.

23. For all other customer support, please call the USPTO Call Center (UCC) at 800-786-9199. The USPTO's official fax number is 571-272-8300.

24. Any inquiry concerning this communication or earlier communications from the examiner should be directed to C. Dune Ly, whose telephone number is (571) 272-0716. The examiner can normally be reached on Monday-Friday from 8 A.M. to 4 P.M.

25. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tim Vo, can be reached on (571) 272-3642.

C. Dune Ly  
Patent Examiner  
5/28/07

